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The Other Side of the Coin

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Assessing Soviet science and technology and the potential therein for military and strategic surprise is perhaps the most critical and difficult challenge we in the U.S. Intelligence Community face. As of now the U.S. still appears ahead in most of the critical technologies we survey but the Soviets have pulled even in some areas and are out in front in others and our margins of advantage and the lead times we possess, have shrunk. Even more troubling, however, is that recent assessments show that the ability of the Soviet military-industrial complex to acquire and assimilate Western technology far exceeds previous estimates.

Just how do the Soviets get so much of our technology? First of all this is not a haphazard program but one endorsed at the highest levels in the Kremlin. Significantly, a single organization – the Military Industrial Commission (VPK) – is responsible both for supervising the collection of Western technology and for coordinating all Soviet military research and production. The VPK, therefore, is well positioned to know what the military needs are in the way of Western technology and to ensure that this technology is used effectively.

Defectors have told us that the search for Western technology commands the highest priority in the KGB and the GRU. As a result, there are several thousand Soviet-bloc collection officers at work primarily in the U.S., Western Europe and Japan. In addition to engaging in the more classic forms of espionage, these Soviet agents comb through our open literature, buy sensitive technologies through legal channels and religiously attend our scientific and technological conferences. Students sent by the Soviets and their allies to study in the West also serve as transmission belts for technological data that is easily obtained.

The Soviets also use dummy firms in sophisticated international operations to divert and steal Western technology. We have identified some 300 firms engaged in diversion schemes operating from more than 30 countries – and there are probably many more. Most diversions occur via Western Europe, which is why we have sought the help of our European allies in combating illegal trade activities.

The Soviets pinpoint and target small, highly innovative companies in the computer and micro-electronics field not only because they are at the leading edge of the technologies that Moscow most needs but also because the security procedures at such firms are usually inadequate to the threat of penetration posed by a determined, hostile intelligence service.

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U.S. micro-electronics production technology is the single most significant industrial technology acquired by the USSR since World War II. In the late 1970s alone, Moscow acquired thousands of pieces of Western micro-electronic equipment worth hundreds of millions of dollars in all of the major processing and production areas. On this basis, the Soviets have systematically built a modern micro-electronics industry. The Soviet equivalent of Silicon Valley, the Zeleznograd Science Center was equipped, literally from scratch, with Western technology.

Two Objectives

What can we do to stem this tide? We already have had a fair number of successes in frustrating the Soviet technology search. The West still needs to organize more effectively to protect its military, industrial, commercial and scientific communities. In so doing, we ought to keep two objectives clearly in view. First, the West must seek to maintain its technological lead over the Soviets in vital design and manufacturing know-how. Second, manufacturing, inspection and most importantly, automatic test equipment – which can alleviate acute Soviet deficiencies in military-related manufacturing areas – must be strictly controlled.

Western governments not only have powerful incentives to stop the hemorrhage of their technology, they also have substantial potential for controlling and restricting its flow. The laws necessary to accomplish this are largely in place – stricter enforcement of the existing laws, however, is needed. To this end greater cooperation among states will lead to greater effectiveness. A cooperative intrastate approach – if it is to be successful – must also serve to alert the private businessman to the nature and extent of the problem. Similarly, if the West is to be successful, our intelligence services will also have to increase their joint efforts to meet this challenge.

In the final analysis the threat posed by growing Soviet technological absorption will not soon disappear and certainly not because of any self-induced change of heart by Kremlin leaders. The

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stakes are sufficiently high to ensure that the Soviets will devote whatever resources are required to fulfill critical military-related collection requirements. The West can do no less if we are to succeed in frustrating Soviet efforts. ●

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